

CDPAC Meeting Minutes
Thursday, October 3, 2002
State Capitol Building

Welcome, Introductions and Committee Business

Ms. Malaske-Samu introduced herself and welcomed everyone to the meeting. The Committee, staff and audience members introduced themselves. She thanked the CDPAC staff for their continuing hard work and leadership through the recent state budget crisis. She asked Venus Garth to give an in depth report at next month's meeting on the timing out of CalWORKs recipients coming up in January. Ms. Garth said she planned to give a brief description during her state report today and will gladly do a more detailed presentation at the next meeting.

Joyce DeWitt proposed a correction on page 10 of the September 2002 meeting minutes to indicate that Michael Jett gave a figure of \$2.26 billion rather than \$2.3 billion. The minutes were approved with the correction. There were two abstentions.

Director's Report

Executive Director, Kay Ryan, noted that she would abbreviate her report to allow enough time for Dr. Hill-Scott's presentation, which we have all been looking forward to. The deadline has passed for the Governor to sign legislation and Leslie Witten-Rood will give a legislative report this afternoon. A few highlights are: SB 1661 (Kuehl), a major bill we talked about at last month's meeting, which was signed and moves California to the forefront of family leave policy; SB 390 (Escutia), the Master Plan bill for Child Care, which was vetoed (next steps will be presented by Nancy Strohl this afternoon); and, AB 2954 (Simitian), which would have required child care to be considered in the land use elements of city and county general plans, also was vetoed but will be re-introduced if the cost issue can be resolved.

There is a resolution in people's packets from the American Academy of Pediatrics, District IX. It recognizes the importance of early education in children's development and supports legislative, administrative and budgetary efforts at the national and state levels to develop and implement child care as early childhood education. This issue ranked third in priority out of the 55 resolutions passed at their annual chapter forum and now must go before state and national legislative committees and through a few more steps before it can become a resolution of the entire Academy of Pediatrics.

The David and Lucile Packard Foundation will be shaping an exciting new initiative over the next several months to achieve universal preschool by the year 2013. Packard is committed to a broad and inclusive process to be sure the design builds on what works, recognizes and respects the diverse nature of our state, and involves people from all sectors of the field in its development. Their goal is voluntary, high quality preschool for three and four year olds in a variety of settings, free to all for part of the day.

Sharon Rea Zone will present detailed information about the Transfer of Knowledge Workshop this afternoon. We sent a letter to Local Planning Councils this week with details about the

registration process and composition of Local Leadership Teams. We also signed a contract with the California Children and Families Commission (CCFC) for sponsorship, which means that local teams may attend this event without paying a registration fee. The challenge will be to limit the county teams to nine people.

Ms. Ryan proposed that the next meeting on November 7th be a roving meeting. Following an abbreviated Committee meeting in the morning at the Capitol to discuss the proposals for reforming the subsidized child care system, the Executive Committee and other interested individuals will spend the afternoon discussing CDPAC's budget and other administrative issues.

She asked for Committee volunteers to work with staff on three items; (1) to put together a proposed meeting calendar to present at the November meeting, (2) to review and provide expertise on a list of indicators of school readiness which CDPAC has been asked to respond to by Children Now, and (3) to serve on the conference planning committee for the local planning conference. We are very excited about doing a smaller, more focused and in-depth training event in 2003. We have some great ideas and are looking for LPCs and others to help shape that event. The conference and quarterly LPC meeting will take place on February 18-20, 2003.

Where Are We Going in Early Care and Education? How Will the Master Plan for Education Change the "System" As We Know It? When and How Will the Master Plan Recommendations Be Implemented? How Can the Early Care and Education Community Help to Make this Vision a Reality?

Dr. Karen Hill-Scott, Chairperson of the School Readiness Working Group, President of Karen Hill-Scott & Company

Ms. Malaske-Samu introduced Dr. Karen Hill-Scott and briefly described her work. Dr. Hill-Scott greeted the Committee and the audience. She said she would talk for a while, pause for a question and answer session, then finish her discussion and answer more questions. Ms. Ryan provided eight questions for her to answer and she emphasized that she would be answering them as herself, a free agent, and not as a member of the California Children and Families Commission. She will be thinking out loud with the Committee and audience about possibilities. She cautioned that the things she thinks out loud about should not be taken as fact or as something that will be acted on by anyone or by any governmental entity or body.

She opened with a short story on misinformation and disinformation, both of which are important in the child development profession. We can spread rumors faster than e-mail can travel. A lot of this comes from our feeling vulnerable and unrewarded and unappreciated all the time. We need to focus more on a bill, its goals, and working on it. The only thing we need to be paranoid about is, "Will they vote for it, and will the Governor sign it?" We would accomplish more by focusing on these things. She defined misinformation as something that is true, but which may be misread or misinterpreted. Misinformation can be corrected. Disinformation is something else and is what we have to worry about more. Disinformation is when we deliberately tell the substantial truth but

not the whole truth, leaving an opening for misinterpretation. We don't lie, but we skew something so that our stakeholder group will act in a certain way. "Dis" means against. It is against progress to do that. Exciting and tough times are ahead for us because we have no money but we are full of ideas. It is important that we avoid disinformation so we can be of one mind, one heart, one set of goals. We can work through misinformation, but working through disinformation/deception is very hard to get over.

What does the Education Master Plan do? How does the School Readiness Master Plan fit into the overall plan?

Speaking as a non-Legislator and a non-political person, Dr. Hill-Scott said her conception of the Master Plan is pure and innocent. The Master Plan provides state policy makers with a template of a course of action that the state should follow in order to achieve certain goals. The goals are lofty and, in general, non-controversial. They are to provide every child with the fundamental right to an education that is provided largely with public funds from preschool through post-secondary education. The opportunity is equal for every child. Investments are made to equalize opportunity when things are not otherwise equal in terms of the child's environment. This takes into account that (1) we have never had a Master Plan, (2) these are very complicated times and expectations and requirements of children to succeed are very different than they ever were, and (3) our population is very complicated. Almost half of the children in California are born with public assistance paying for their delivery. We all must recognize that those who are coming into the world today are at a disadvantage. Nearly all members of the future workforce are born poor. We know that poverty along with mother's education and intelligence is the indicator that predicts low achievement. We need to be aggressive in supporting the population coming up to achieve. Otherwise, we have not yet seen bad economic times.

The Master Plan incorporates the work of seven different committees. The Plan has more than 50 recommendations, each of which could be supported by one or more pieces of legislation, executive action and departmental regulation. There is a complex and political process underlying bringing the Plan to fruition.

Of the seven workgroup master plans, the School Readiness Master Plan is the most thorough, comprehensive and far reaching. It did not avoid tough issues, and included 15 recommendations of its own. The workgroup looked at 0-5 and worked backwards from "What level of preparation does a child need when they enter school?" and determined what education a child would need to get to this point. The definition of school readiness was much broader than just education and included health and community indicators. They had three goal areas: to create a system of services for all children 0-5; to create institutions that are ready to support those children; and, to create a community infrastructure that would move all of this forward. The specific initiatives were parental leave, universal child care for low income children 0-3 based on ability to pay, universal preschool experience, an articulation plan for preschool-to-kindergarten so that kindergarten guidelines could be revisited with a preschool definition of what are good outcomes for a five year old child. They called for standards for preschool and school readiness programs that were classroom based not standardized test based. They called for lots of training and compensation initiatives including creating statewide salary standards for educators of young children and pre-service training in child development and basic health and safety for anybody

accepting state money to care for a child. They recommended funding formulas based on quality standards. They recommended a controversial model that the California Department of Education (CDE) be the overall administrator for all consolidated child development funds, but where each county would receive an apportionment and have a special board of early education to make decisions at the local level. Many people are afraid of local control. In the overall Master Plan, administration and management also is devolved locally for school districts and community colleges. All but one of the 14 recommendations made in the School Readiness Master Plan were included in the overall Master Plan. Even though there is no mandate to support education before first grade, this plan made it very clear that the state has a vested interest in early education from 0-5, specifically the preschool ages of three and four. The one recommendation that did not go into the overall Master Plan was Paid Parental Leave, which was later passed as a bill and signed by the Governor. Staff development and compensation are folded into the statewide mission for all education personnel. There are no specific recommendations, other than trying to improve entry level personnel, to address this need. It will be up to us to exercise due diligence on future general education legislation on teacher preparation to be sure that early education people are covered.

How will the Master Plan impact early care and education as we now know it – in the long term, in the next five years, immediately?

There would be formal and informal impacts. The formal impacts will be legislation that follows the Master Plan. The Legislature could ignore the Master Plan, but that is unlikely due to the level of public interest. Legislators will go through the recommendations to see which bills they would like to carry. They will meet with interest groups that support those bills. They will also meet with legislative cohorts, the affected state departments such as Social Services, Health, and Education, and child development people to determine legislative priorities. The Master Plan would create three or four entities. The earliest bills will likely be legislation to authorize these. There would be a commission on articulation between the early childhood curriculum and the K-12 curriculum; an Inter-segmental Committee of the Academic Senates to look at training corollaries and staffing standards for pre-K through 12; and a Financing Task Force. There will be legislation every year until we accomplish universal preschool. It is important to point out that, under the Master Plan, the role of the Superintendent of Public Instruction is reduced to that of, for example, an Inspector General. The Superintendent, in this model, is not responsible for the operation and management of CDE. Battles will be fought about this.

In financing, three things will be tough to deal with: (1) Where will the new revenue called for in the Master Plan come from? This will mean an overhaul of our tax structure. Raising the money will take a lot of courage on the part of Legislators or of voters. California spends more than other states on education, but we have more children to educate and they come from all over the world. (2) The Master Plan has a recommendation to revise our definition of categorical funding. There are 14 funding streams in early education, which have evolved over time. If every child under five is entitled to an annual allocation, it does not matter what category they are in because, by right, the child would be entitled to that allocation. Categorical grants protect that category of funding, but the big problem with categorical funding is that it is never fully funded. For example, there is funding for teen mothers through the School Age Parent and Infant Development Program. But not all teen mothers are served. If they were, they would all finish high school. Categorical grants

are never fully funded. They are a gesture and support and an acknowledgement of the problem. This is how we get disjointed incrementalism. We do good things, but we can only do them to a limited extent. So if, by right, every child has access to good quality early care and education we will not need those silos of funding anymore. Dr. Hill-Scott thinks, therefore, that in the next five years, we may be exploring, thinking and tinkering to see if the character of our funding silos can be modified in the interests of universal coverage. (3) Consolidation of funding cannot be done without new money. We need to be ready to move when the economy turns around in five to ten years and people are willing to pay more taxes. At minimum, we need to discuss creative ways to use TANF funding to better serve TANF children with higher quality services. We can begin this discussion immediately, including whether or not TANF funds can be used to help train the providers who care for those children. Fifty-two percent of all child care funding in this state goes into TANF funding.

Dr. Hill-Scott believes that in the long term, the next 20 years, many of these essential principles of early care and education will begin to drive the theory of education up to the 12th grade. This means evaluating each child's progress according to where they started developmentally as opposed to an outside norm. If this philosophical change were to happen we would not lose 40 percent of Latino and African American children in the K-12 system. We lose them because the schools are not relevant to their life experience. She hopes that the individual differences orientation of early education can permeate up into K-12. K-12, as we know it, was based on the John Dooley notion of education transforming the masses into a workforce that could work in manufacturing. The organization of the entire school day, with bells ringing, etc., was based on what manufacturers needed in the industrial revolution. There cannot be a single school model because all children and environments are different. The most important thing the Master Plan does is give us a roadmap, a goal we can work toward. As legislation and public policy emerges incrementally, our litmus test is whether we are working toward and achieving the goal of universal coverage of high quality services for families and children. The role of early education is one of supporting parents in fulfilling their responsibilities. Having a Master Plan can give us that frame of reference. That's why, in the School Readiness Master Plan, we included community supports, health care, etc., so parents can meet their responsibilities more effectively and efficiently.

In the mid-term, with School Readiness, we can reach parents when they are still in love with their children. They will accept whatever we have to help them do a better job. If we do a good job with parents when their children are young, they can stay in love with their children longer.

Short term, we can have stimulated discussion, we can be looking at the money we have and ways to spend it more effectively, we can look at provider training, and we can look at the regulations around categorical funding. Mid-term, we can begin to transform parent input and parent attendance and public opinion around the issue of early education. We will see increased funding, despite the economy, because of what the Packard Foundation is doing and because of the interest statewide and nationwide. We will see more local efforts like what is happening in Los Angeles County where the Prop 10 Commission has allocated \$100 million a year to universal preschool. These local efforts would be consolidated statewide when we get universal preschool and universal coverage for 0-3 services. We will be working toward both of these.

- Q.** I am concerned that what is now a cohesive, coherent plan can become fragmented and disjointed over time because of legislative term limits. As a result, we could end up with more incremental legislation. Is there something in the plan to prevent this?
- A.** We will always have incrementalism. What we have had is what Linda Bloom, a famous policy analyst, called “disjointed incrementalism.” What we can have is “systematic incrementalism” where pieces of legislation, year after year, are building blocks for a long-term goal. It will take people being familiar with the Plan and wanting to hold to it to achieve the goal over a 15 to 20 year period.
- Q.** How can we get those knowledgeable about financing, such as Wall Street, to work on increasing financing for education?
- A.** It takes a long time for Wall Street to create enough money to build a big company and that is similar to the state’s situation. By law, there are only certain ways public money can be raised. The General Fund is fed by money from certain tax and bond sources. While Wall Street tries to raise venture capital, we go to the public and ask them to invest in education. The Master Plan calls for different types of partnerships with private industry to do things. There are many ways we can educate children, and we should embrace delivery systems as small as individual service providers and as large as school districts. We should be willing to create a financing model that supports that. Dr. Hill-Scott suggested that we could look at higher education financing models when determining how to fund early education.
- Q.** Federal reauthorization for TANF, Head Start and others has been pushed to 2003. This means that, with our federal dollars, maybe we could work on some short-term objectives. What is your opinion on seeking Federal funding to promote the efforts called for in the Master Plan? Does mandating state programs to collaborate with Head Start seem like another short-term legislative opportunity?
- A.** Two things are possible with the Head Start wraparound full day. One is working at the federal level on the reauthorization and trying to get more money from that source for full-day programs. Second, I assume that most Head Start children are in the TANF category. Therefore, a huge number of them have parents who are TANF eligible. Head Start could make strategic invitations to the state social services agency or to the Alternative Payment (AP) program to get TANF dollars as wraparound dollars. This may mean that Head Start does not have the money to run full day Head Start. But the children would have continuity of service if Head Start programs remained half day and their wraparound services were organized around being proximal to Head Start. The social services department might work with providers who are doing before and after Head Start care. I see collaboration with TANF as being the most feasible short-term alternative to creating a full day experience. TANF money is not capped. Every poor child has access to those funds because their parents have to go to work and the child has to go somewhere for care.
- Q.** You spoke about training for child care providers who accept TANF dollars. Will training also be required for license exempt providers? What level of training will be required? And who would provide the training?
- A.** Here is what we were thinking when we developed the Master Plan. The public entrusts their tax dollars into the care of someone else to be spent wisely and appropriately. If taxpayer dollars are used to pay someone to care for children, on behalf of the state shouldn’t we make

sure these children are safe? That the caregiver, for example, knows how to give CPR, can take a temperature, knows how to get emergency medical services? Shouldn't they know that two-year olds cannot sit quietly for long periods of time? Whoever accepts tax dollars to take care of someone else's children, whether they are licensed or exempt, whether they are a relative, a neighbor, or a child development business, ought to have some universal level of training. Someone will determine the specifics of what they need to know, but the idea is they need to know basic life safety, basic health understanding, developmental milestones, and other basic child development information. The Master Plan calls for 40 or 48 hours of training, equivalent to a three-unit class, in the domains of health and safety and child development. The training must meet a certain standard but there is no universal model for delivering the training. Training could be given through closed cable channels, community colleges, online training, etc. Funding should follow the child and funding should follow the child to a provider who meets a certain standard, which permits home-based providers as well as school district-based providers to deliver the service. The bottom line is the quality of service we provide to the child that meets the parent and child's needs. There are a lot of ways to get there.

- Q.** Public funding requires arduous record keeping and audits, etc. Did your workgroup discuss any possibility of simplifying this so that, for example, a family daycare operator can accept public funds and manage them accordingly?
- A.** We did not create a recommendation that we do all this with minimum paperwork. It is a good point to bring up and we should work on that. It is missing from both the School Readiness Master Plan and the Education Master Plan. The logic is: When you use public funding, you are upholding the public trust. The way we prove this is through audits to be sure the dollars were spent on an eligible person in the right program managed by the right people with the right qualifications. There is room to figure out more streamlined, strategic ways of upholding the public trust without tremendously onerous record keeping burdens. But it is not feasible to get away from outcome indicators, paper trails, and following the dollars. It is all about the money having been allocated to do something. By and large, the purpose of the audits and reviews is to prove that providers have upheld the public trust with the funds they were entrusted with. The reason is very noble. The process is not ennobling.
- Q.** Has there been any discussion about what the educational level requirements for providers would be and would they be specific to center-based or family child care programs?
- A.** There has been a tremendous amount of talk but there is not universal agreement in the field. Discussion in the School Readiness workgroup and input from the field was to go in the direction of formal education because research tells us that experiential "stuff" gets you there but it does not impact the child outcomes. Building on what we have, the Career Development Matrix is widely accepted statewide. Regardless of whether a provider is home based or center based, the field will be encouraging people to get post-secondary education. The issue will be delivering post-secondary education in ways a home-based provider can access it. The School Readiness Master Plan calls for a group or task force to work through the training models. A lot of professors are not trained in the areas where we need competencies to train future providers and future leaders of the industry. We don't just have a labor pool deficiency,

we have a trainer of the labor pool deficiency. This is because the industry is changing, it has new needs. Half of the people in this room have jobs that did not exist 15 years ago. Child care used to be: teacher, aide, director and maybe agency manager.

- Q.** Our county is doing a Prop 10 supported feasibility analysis of universal preschool. It appears that everything in the Master Plan needs to be introduced into that dialog. Many participants are new and do not yet understand the pieces already in place. Can you help us bridge that gap? It would be very helpful to us if we can figure out how to deploy it into the discussion.
- A.** People think that what we do is not complicated because we deal with babies and little children. The same person who would say that anybody can do child care will swear it takes ten MBAs to create a nursing home system, and that it takes four MBAs, an architect, an interior designer, etc., to open up a successful restaurant. And the industries actually have many similarities. They are labor intensive industries that deliver services to people. We have to stand forward and be really clear that what we do is complicated. Not only is it life changing and therefore society changing, it is rocket science, particularly at the level of creating systems.

Comment: The person who asked the last question shared her AP program's experience with informing parents about Head Start. They contacted the parents of their three and four year olds and told them about Head Start state preschool. Even though they are over income, they are automatically eligible because they are in CalWORKs. She brought up several obstacles. (1) They find they must educate the Head Start caseworkers that these families are eligible. (2) Funding and providing transportation of the children from the exempt caregiver to Head Start and state preschool. (3) The state preschool income guidelines do not automatically allow in the over-income CalWORKs families.

Dr. Hill-Scott responded that these points are on target and are concrete examples of the kinds of immediate explorations that should be addressed under the rubric of the Master Plan. This is just the sort of thing meant in the Master Plan where it talks about using regulation to foster collaboration. Every parent she knows of has a problem with transportation, not only with small children, but also with before and after school programs. The biggest barrier to providing transportation to young children is insurance. You cannot transport a child for a fee without a certain kind of license and a certain kind of insurance. The cost of insurance can be as much as the child care payment.

Dr. Hill-Scott spoke about how exciting it was to see the Los Angeles County Prop 10 Commission devote so much money to the concept of universal preschool for the entire county. They made a ten-year commitment of \$100 million a year based on the hope that the state system would be in place by the tenth year. They are now in the very early planning stage. She is hoping that Los Angeles County can prototype and test the feasibility of some of the ideas in the School Readiness Master Plan and share the results so the field can be prepared for county-by-county launches as we move toward a statewide system. She further hopes they learn from the work done by others. It takes five years for a new system to know what it's doing and ten years to get it right.

She thanked the Committee and audience for the opportunity to talk and think out loud with everyone this morning and was given a hearty round of applause.

Ms. Malaske-Samu asked how CDPAC and the field can help and invited Dr. Hill-Scott to come back if this sort of public forum is helpful to her.

Dr. Hill-Scott responded that this forum has been very helpful and encouraged everyone to become very familiar with the contents of, at minimum, the Executive Summary of the Master Plan. She reminded everyone that the Master Plan recommendations are proposals and therefore up for negotiation. She further suggested that, as we work on new initiatives, we use the Master Plan as a litmus test. This is our template for systematic incrementalism. Referring back to her opening remarks about misinformation and disinformation, she reiterated that we all will be misinformed and that those things can be corrected. She advised everyone to let go of disinformation, to stop people when they say things like, “What I think they really meant was...” We have a lot to learn. We have to be focused on the target and we have to work on a way to get there. To do that, let’s encourage talk that is productive.

She shared her observation that we have to figure out how to get parents into this agenda. We are going as slow as ever if we focus just on what providers want and need and doing great things for providers. Yes, we are unrewarded and unappreciated as a profession. We are not the goal but a means to an end. If we want support for higher wages, etc., parents have to believe in us and that what we do for their children will change the world for their child. Legislators will not be excited about our agenda unless their constituents are excited about it. That is why, in Los Angeles County, she is very interested that the services of the universal preschool go to families that are above 75 percent of the poverty level who are spending a disproportionate amount of their income on low quality private child care when that private child care could be improved if we were paying more for the services for their children so the teachers could be paid higher wages. We have to get into the mindset that it’s for the children and the families and that parents have to be behind this. It’s not about what makes your agency run better. That is secondary. Your agency will run better if we put more money into what we spend on children. If you have faith in that you can make it happen.

Ms. Malaske-Samu shared two thoughts. One, in the current fiscal crisis we need to use this opportunity because as people recognize how dire it is, they may be more open to a discussion of restructuring our tax system. Second, the discussion about decategorizing the funding of child care is long overdue and could make a very real difference in how we manage programs and serve children.

Master Plan for Child Care – SB 390

Nancy Strohl, Child Care Law Center

Ms. Malaske-Samu introduced Nancy Strohl and asked that we celebrate our victory of having the plan make it to the Governor’s desk, even though he vetoed it.

Ms. Strohl shared the information that, when this item was placed on the agenda, it was hoped we would be celebrating the signing of SB 390 and would be talking about implementation and the critical role CDPAC would continue to play in that implementation. It is very important that this legislation made it thorough the Legislature because it indicates support for many of the ideas

about establishing the vision that Dr. Hill-Scott spoke about this morning. The veto message is very interesting. It lays out what the bill would have done, including a master plan which would include comprehensive, high quality, universal child care and development services including nutrition, violence prevention, health care, and other family support, strategies to address turnover in child care, and methods of financing the plan. This was in the veto message to show how much the bill ultimately would have cost. It went on to say that the development of a master plan, as required by the bill, would create unsustainable Prop 98 General Fund and non-Prop 98 General Fund cost measures of several hundred million dollars annually. The reason for the veto was stated to her several times in meetings with representatives from the Governor's Office -- that if we were to do this, it would show how under-resourced the system is. This underscores what Dr. Hill-Scott said earlier: All of us who are committed to child care must look at revenue as well as child care policy.

The Governor also said in his veto message that a bill of this nature is premature because of the child care policy reforms he intends to make. She feels that this part of the message represents a missed opportunity. She noted that reform of an under-resourced system, which already does not have the funding to support quality services, is impossible without having dire consequences for children and families. This was a possibility for the legislature and stakeholders to look at the different components rather than be at loggerheads like in the last few years.

The positive aspects include all of the support we received from labor, the faith community, families, and child care providers for looking hard at the system. The process has given us momentum to look in depth at some aspects not covered in the School Readiness Master Plan. Senator Escutia sent out a press release expressing her disappointment and saying the need for a Child Care Master Plan is not going away. She is committed to continuing to look at this, as is the Legislative Women's Caucus.

Some of the discussions we need to have in the coming months are: (1) What is the relationship between the School Readiness Master Plan and the Child Care Master Plan? (2) What other processes can look at pieces of it? (3) We need to look at systematic incrementalism. We also need to keep two primary principles in mind. One is the real commitment to having an inclusive process, making certain we have parent and family input. The other is that we have to look at the system as a whole, looking at school readiness, looking at the different funding sources, looking at 0-3, and doing a comprehensive and thoughtful plan bringing together the whole child care system in the context of an educational system. The challenges we face are figuring out what discussions we should continue having, and what we will do about building consensus around the big picture vision and the inclusive nature of the Master Plan.

Ms. Strohl briefly mentioned other information of interest to the field. Planning by the Legislative Women's Caucus will happen again this year. The Governor will continue to pursue the reforms he has pursued in the past. This will be a very challenging, tough budget year. Much of the child care budget literally is put together from one-time funding sources. Some of the planning will look at the short-term process that we face. Four workgroups are being formed under the auspices of the Children's Roundtable Child Care Subcommittee to look at planning issues. The workgroups will look at reform issues that will need to be responded to in January. This is because, at the same time we have initiatives and school readiness going on, we also must fight for survival of programs

in the budget process. We want to tie together the vision of what should be with the changes that are being debated. The four workgroups are: license exempt care; staff compensation, retention and professional development; provider payment and rate structures; and, affordability and eligibility. At the first meeting we will discuss what we can do in the short term, how the School Readiness Master Plan and other long term visions feed into this in terms of the directions we should go in, and identify areas where we do and do not have consensus. Ms. Strohl invited those interested to sign up for the workgroups. As in the past, the CDPAC Committee meetings will be one of the important forums for these issues.

In the next period, we have to go ahead with the short term planning. We have to think about the ways to do our long term planning and determine which pieces will need to be done with legislation and which pieces can be done without legislation. We need to guard and protect the consensus we built with the support that we had and the conclusions that came out of the School Readiness Master Plan.

- Q.** Ms. Malaske-Samu remarked that getting ready for the next budget process and not being in denial is going to be a huge challenge. She asked whether this working group has some way to bring structure to how to proceed.
- A.** Ms. Strohl responded that there would be many different processes and many forums this fall. The workgroups came out of discussions that Ms. Ryan was part of at the Children's Roundtable meetings last year. There were terrific opportunities to testify, and to listen and take notes. But there needed to be an opportunity to take the difficult issues and discuss them for a whole day, share information between workgroups, and then have a second meeting for in depth discussions. The workgroups are one part of what probably will be a multi-faceted process. The Women's Caucus staffers, who will develop the proposals in the end, are very interested in the workgroups. They, too, feel they have had opportunities to take in information but have not had an opportunity to hear the debate. Several people have given her names of those who want to participate in the workgroups. It is her observation that people are hungry to talk in depth about these issues and find out where there is consensus and where there is not.

Dianne Philibosian commented that the idea of the workgroups and finding common ground is terrific. It was her sense last fall that people were beginning to take intransigent positions on things and it became clear that we were not going to accomplish anything. There needs to be real commitment that we will come out of this with concrete recommendations that everybody is willing to live with. Having a facilitated dialog will be an excellent way to accomplish this.

Dr. Hill-Scott commented on the process that people plan to use for the Master Plan. Going out on the road is really important and nobody has done that in the last 20 years. The last time this was done around early care and education was the Riles Commission in the early 1980s. The Commission went from community to community gathering information and the legislation that came out of that process was precedent setting. In fact, from a legal perspective, the Sieroty bill had authorizing language to create a legislative umbrella for comprehensive child development. She observed that we tend not to look back at history and to think that totally new legislation has to

be created for everything. There may be ways we can build on that earlier legislation, which was SB 863 passed in 1981. Whatever is done needs to balance and have numerical, rational, and demographic planning on the one hand balanced by anecdotal information on the other. Together they are more than the sum of their parts.

Q. Ms. Malaske-Samu asked if we have any new ways to finance subsidized child care.

A. Dr. Hill-Scott brought up a report done in 1992 based on the first economic summit on child care held in California. Economists, labor organizers and others attended the meeting and came up with different models of financing. They all involve taxes, but parental leave is funded using one of those models. Models are out there, we just need to get enough steam to get people to want to support them.

Ms. Strohl mentioned that other states have had some interesting initiatives. New Jersey, for example, is funding universal preschool with a court mandate. There are places where people have moved forward with different kinds of models. We first need to look at what does child care really cost and then look at ways to get there. The Packard Foundation will be coordinating with the Pew Charitable Trust to build public will and they will be looking at financing in general. That is a place where we may be able to get some resources to look at financing and building public will.

Ms. Malaske-Samu reminded everyone that, while we need to have a vision about where we are going to go for a major overhaul, we also have immediate funding issues with regard to the State Fiscal Year 2003-04 budget. Ms. Strohl noted that they are already starting to work with the budget subcommittee people. She does not know what Senator Burton is going to do next year around his upper income tax bracket proposal or what other kinds of revenue sources will be looked at. Not much will be known until the Women's Caucus starts meeting again and the election has occurred. Right after that, we will have to coordinate with the California Budget Project, which has a lot of insight about the different revenue sources and how to put that together.

Ms. Malaske-Samu observed that this would be a year of challenges. It will take everyone's commitment of their brainpower and their willingness to consider a system that looks differently and to let go of some of the protections of turf in order to get to a general good.

Ms. Philibosian thanked Ms. Strohl for all the hard work she has put into this issue.

Update on Signed Legislation

Leslie Witten-Rood, CDPAC

Ms. Malaske-Samu invited Leslie Witten-Rood to review recent legislation. Ms. Witten-Rood said she would cover the bad news first.

Vetoed Legislation

AB 634 (Wesson), the education minimum age bill. Starting July 1, 2004, this bill would have applied the state's compulsory education law to a child between the ages of five and six enrolled and attending a public school kindergarten for at least 30 days during the school year. It would

have changed the minimum age requirement. The veto message said the Governor felt it would have restricted parental choice. The state has already changed the age of kindergarten entry through AB 25 (Statutes of 2000), which created the Kindergarten Readiness Pilot Program. A final evaluation report for that program is due by January 1, 2008. The Governor said it would be premature to sign this bill prior to receiving the results of the evaluation.

AB 2874 (Florez), the unlicensed kinship care bill. It would have prohibited an unlicensed family child care provider from caring for more than six state or federally subsidized children in addition to the provider's own children. The veto message said that while the Governor felt that low ratios were desirable, large families could have problems finding care and might have to use multiple sites talked about earlier today, SB 390 (Escutia), the child care and development master plan bill, was vetoed.

AB 2741 (Chan), the Children's School Readiness and Health Council bill. The Governor's veto message said it would result in a cost of at least three new positions and \$270,000 (\$140,000 from the General Fund), and that the California Health and Human Services Agency will review its options to better coordinate school readiness and health programs within existing resources.

AB 2954 (Simitian), the planning bill. It would have required that any city or county general plan land use element adopted or amended after January 2004, to consider the distribution of child care facilities in the land use element. The veto message cited an astronomical cost to the General Fund for reimbursing local costs.

Chaptered Legislation

AB 1358 (Pescetti), the child care facilities bill, requires CDSS to conduct site visits only between one hour before and one hour after a facility's normal business hours or when child care is being provided.

AB 1867 (Vargas) expands prohibited smoking and disposal areas to within 25 feet of a playground or tot lot sandbox area and increases the fine from \$100 to \$250.

AB 1984 (Steinberg) establishes the 21st Century After School Safety and Enrichment for Teens Program to create incentives for establishing locally driven after school enrichment programs for teens.

AB 2024 (Nakano) creates incentives for school communities and their partners together to establish after school enrichment programs that provide academic and literacy support. It also includes nutrition education as a component of Before and After School Learning and Safe Neighborhood programs.

AB 2311 (Chu) revises the definitions of children with exceptional needs, children with special needs, and severely handicapped children, updates language and deletes obsolete code sections. It amends factors to be considered by local planning councils in assessing the need for child care, and eliminates geographic equity as a requirement for distribution of funds for extended day programs. It also makes the implementation of centralized eligibility subject to funding.

AB 2324 (Diaz) allows Before and After School Programs to release a pupil early without having their funding reduced.

AB 2800 (Chan) authorizes the California Children and Families Commission to expend money allocations to ensure that children are ready to enter school.

AB 2811 (Migden) extends the Child Development Teacher and Supervisor Grant Program indefinitely. Under the program, teachers who intend to teach or supervise in a licensed child care center may qualify for grants of up to \$2,000.

AB 3047, sponsored by the Committee on Human Services, revises the seat belt safety law to require a child day care license applicant to provide evidence they have posted a sign at the point of entry to the facility that contains the current law regarding child passenger restraint systems.

SB 646 (Ortiz) authorizes the Department of Social Services to continue a substitute child care employees registration pilot program for the purposes of charging administrative fees to participating facilities and would prohibit them from hiring persons needing criminal background exceptions.

SB 1478 (McPherson) states the intent of the Legislature to fund the 21st Century Community Learning Centers and sets forth requirements for expenditure of federal funds in 2002-03 in accordance with the No Child Left Behind Act of 2001.

SB 1661 (Kuehl) is the Family Leave Act discussed earlier today.

SB 1724 (Speier) modifies the Personal Income Tax Law to allow a refundable credit for household and dependent care expenses necessary for gainful employment.

Senate Judicial Resolution (SJR) 42 (Escutia) urges the U. S. Congress to approve legislation that increases and re-authorizes funding for the Child Care and Development Block Grant.

Ms. Malaske-Samu asked if there is a way the Committee, child care coordinators and the Child Development Division (CDD) could talk about data sharing among state departments and facilitating data sharing at local levels. Accessing data is cumbersome and the field needs help in getting over the hurdles. Cecelia Fisher-Dahms responded that she will take this back to CDD and commented that part of the problem has to do with confidentiality. Kathi Walker added that the Local Planning Councils feel there is a need to standardize data elements and the way data is reported. Kay Ryan noted that CDPAC and CDD have agreed to work together this year to establish this year to establish data collection format elements.

Transfer of Knowledge Symposium on Child Care for Children with Disabilities and Other Special Needs, Sharon Rea Zone, CDPAC

The event will take place on November 15th from 9 a.m. to 4 p.m. at the DoubleTree Hotel in Sacramento. Alex Castillon, CDPAC staff member and graphic designer, designed the brochure

for the symposium. It will begin with a “getting grounded” session with information about the laws and the special needs population followed by a discussion about promising practices. After a networking lunch where local teams begin to identify what is going on in their county and where they want to make changes, teams will engage in an action planning process. The local teams will leave the symposium with an action plan. The symposium will be facilitated by Ellen Montanari.

All of the Local Child Care Planning Coordinators (LPC) agreed to serve as their county’s local team liaison. The liaisons will develop the local leadership team roster. Potential team members are to call the LPC and complete a registration form and send it to CDPAC. Information about the symposium is being sent by state agencies to their respective constituents.

The final planning committee meeting will be on October 10th.

Ms. Rea Zone recognized the California Children and Families Commission for their sponsorship, the Department of Developmental Services for securing the facility, and the Kaplan Early Learning Company for donating the NCR forms which will be used for the action plans. This has truly been a “Stone Soup” planning experience, with both public and private agencies contributing money, staff time, mailing costs, written products and more. Terry Colborn of the Easter Seals has graciously offered to assemble and transport packets. With this level of cooperation and collaboration, we have very high hopes for this event.

State Reports

Venus Garth, California Department of Social Services (CDSS), Work Services and Demonstration Projects Branch

Ms. Garth said that Ms. Ryan showed her an article from today’s paper about the new campaign, Safe Arms for Newborns. It will probably be on television today also. The Children’s Services Division at CDSS is handling this campaign with assistance from Cal-LEARN staff. She offered to invite someone to the next Committee meeting to speak about it.

The Department has issued the allocations for child care. Counties have been calling to express concerns that their allocations were not as much as they had expected. There have been decreases in Stage 1, due to decreases in the Stage 1 caseload. DSS will be sending letters to the counties requesting information about their needs for additional allocations that may be funded through the reserve rather than waiting until later in the fiscal year as has been done in the past. This year’s child care reserve is about \$108 million.

The State is taking another look at the regional market rate methodology California has used. CDSS is working closely with the Department of Education, the Department of Finance, and the Legislative Analyst’s Office to develop a new regional market rate methodology.

The State Budget addressed how to handle retroactive child care payments. There was an issue in Los Angeles County about how far back people could request to have child care payments made. There were problems regarding the process used to document when clients requested child care

and when it was offered. The Department will be developing an All County Letter about this and will have regulations in place by July 1, 2003. There will be an opportunity for public comment.

With regard to the earlier question about what we will be doing about child care services for the families who will time out at the beginning of the year, in CalWORKs child care, when a person leaves cash aid they are entitled to up to two years, 24 months, of continuing child care. The CDSS will be sending out an All County Letter to remind counties about this. Ms. Garth offered to look further into the numbers of families that will be affected and report back at the next meeting. She noted that the Department of Education should be involved in this discussion.

Melissa Miller, CDSS, Community Care Licensing (CCL)

Licensing continues to be focused on the criminal record exemption issue. They have finished the final report developed during the six-month moratorium on the issuing of criminal record exemptions. They are hoping to receive final approval of the report and recommendations fairly soon. When the report is approved, the moratorium will be lifted, and criminal record exemptions will again be issued. A lot of the recommendations in the report have to do with internal processing. One of the recommendations, however, could have an impact on people and CCL would like to get reactions to it. Current law provides that when 95 percent of the fingerprints submitted to the live-scan process come back within three days CDSS should mandate that people be cleared before they are allowed to work. Right now, employees are allowed to submit their fingerprints and then go to work before completing the clearance process. This would probably affect mostly centers with employees who come and go and which may have to get substitute employees in a hurry. If this proposal is approved, there will be time before it's implemented to get feedback from the field about what impact this might have on operations, whether it was going to be a serious problem for people, and to look at ways CDSS might mitigate this if possible.

There will be public hearings on the emergency regulations discussed at earlier Committee meetings on October 15th, 16th and 17th. The one in Sacramento will be on the 16th.

The Department along with other state agencies is struggling with budget issues. A number of temporarily vacant positions were caught up in the sweep. The CCL has been doing budget drills for the next fiscal year involving 20 percent cutbacks. Much of their effort is going into setting priorities for the increasingly limited resources. They will not be able to do as much as they hoped to do and have been able to do in the past. They will be identifying the things that are most important in terms of protections for children and focus their energies on that.

Ms. Malaske-Samu thanked Ms. Garth and Ms. Miller for their reports and thanked everyone for attending the meeting and contributing to the discussion. She reminded everyone that the November meeting will be an abbreviated meeting in the morning followed by an afternoon session focusing on CDPAC's budget.

ATTENDEES AT OCTOBER 3, 2002 CDPAC MEETING

Committee Members:

Kathleen Malaske-Samu, Chairperson
Joyce Hanson, Grandparent/Child Advocate
Earl Peterson, Child Care Consultant
Venus Garth, CA Dept. of Social Services
Lynn Lucas, El Dorado County Supt. Of Schools

Eleanor Moulton, EduCare
Amy Tan, Sacramento City College USD
Melissa Miller, CA Dept. of Social Services
Joyce De Witt, Public Member
Dianne Philibosian, Public Member

Participants:

Jolene Thomas, Shasta County LPC
Carol D.W. Nye, Northeast Regional Resource Center
Susanne Milton, El Dorado County Office of Education
Diana Short, Community Resources for Children
April Befumo, Stanislaus County Office of Education
Irma Fraigun, California Teachers Association
Jennifer Dwight-Frost, Amador Co. Supt. of Schools
Steve Erwin, Kaplan
Linda Parfitt, California Department of Education
Becky Billing, Children's Network
Janene Chico, Inter-Tribal Council
Louise Johnston, CACSAP
Melinda Waring, Yolo County LPC
Peyton Nattinger, CA Early Childhood Mentor Program
Tim Fitzharris, Child Development Policy Institute
Beth McGovern, California Now
Nancy Strohl, Child Care Law Center
Leanne Leak, Association of Christian Schools Intl.
Jan Stokley, Child Care Coordinating Council
Mardi Lucich, California Childcare Health Program
Mark Carlson, Lutheran Social Services

Terrie Martin, Shasta Head Start
Kathie Grayson
Lisa Foster, CRB/California State Library
Kathi Linqvist, Contra Costa COE
Dee Cuney, Private Child Care Network
Mei Kwong, Children's Home Society of CA
Nina Machado, First 5, Amador County
Ed Condon, California Head Start Association
Cecelia Fisher-Dahms, CDE/CDD
Cheryl Allen, WestEd
Francine Nunes, Placer County LPC
Debbie Tarbat-Eison, Creative Child Care, Inc.
Deana Carrillo, California Budget Project
Yolanda Mendoza, Migrant Education Region 2
Marcia Westbrook, CCCC of Nevada County
Louise Boley
Tenna Moore, Community Child Care
T. Jane Kapphahn, Contra Costa Co. LP Council
Kathi Walker, El Dorado County LPC
Pam Grigsby, CDSS
Karen Scott, KHS and Company

Staff:

Kay Ryan, Executive Director
Sharon Rea Zone, Analyst
Priscilla Jong

Sharron Goldstein, Analyst
Leslie Witten-Rood, Analyst
Alex Castillon